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TAGS: [PGOV](#) [PHUM](#) [ECON](#) [EAGR](#) [EAID](#) [ELAB](#) [SENV](#) [TH](#)
SUBJECT: LAND CRUNCH AND AGRIBUSINESSES HURT HIGHLAND AGRICULTURE AND
FOOD SECURITY

REF: A. CHIANG MAI 109 (ENVIRONMENTALISM, HILL TRIBES)
[1](#)B. CHIANG MAI 114 (GREEN POLICIES USED TO EARN GREEN)
[1](#)C. CHIANG MAI 75 (NGOS ASSIST HILL TRIBES)
[1](#)D. 08 CHIANG MAI 140 (RELOCATIONS HURT HILL TRIBES)
[1](#)E. 08 CHIANG MAI 192 (HILL TRIBES PLAGUED BY STATELESSNESS)
[1](#)F. CHIANG MAI 100 (RUBBER GROWS INTO NEW CASH CROP)

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Sensitive but unclassified; please handle accordingly.

Summary and Comment

[1](#)1. (SBU) Agriculturally-dependent hill tribe people, as well as other upland farmers, face increasing pressures stemming from a general shortage of available agricultural land, problematic development policies, and the growth of agribusinesses in northern Thailand. In recent years, development programs have encouraged subsistence farmers to adopt cash crop agriculture, and agribusinesses have struck contract farming deals with upland farmers. Instead of increasing food security among highlanders, these initiatives have often created challenges for small scale farmers. This cable, part three in a three-part series on highland agriculture and land tenure, will focus on threats to food security in agricultural communities. Part one in the series (ref A) focused on the political ecology of highland agriculture, and part two (ref B) examined the ways in which environmental policies have been used to displace highlanders.

[1](#)2. (SBU) Comment: In meetings with NGOs and academics, post has found that strategies ostensibly designed to help hill tribe people and other upland farmers have, in some cases, contributed to growing food insecurity in previously self-sufficient communities. These controversial policies may unnecessarily jeopardize the livelihoods of already vulnerable ethnic hill tribe minorities and other upland dwellers. End Summary and Comment.

The Landless Poor

[1](#)3. (SBU) The establishment of national parks and protected forests has largely come at the expense of forest-dwelling hill tribe people (ref b and d). Entire villages have been relocated outside of protected areas, and those without formal land titles continue to face lawsuits accusing them of encroaching on national park lands. Villages may be relocated to less fertile lands, resulting in lower crop yields and increased food insecurity. Land use restrictions and relocations may also result in a reduction in the area of land available for each family's use.

[1](#)4. (SBU) Aggregation of land by distant landowners has also contributed to a shortage of available agricultural land.

According to figures from the Northern Development Foundation, 90 percent of the land in Thailand is owned by just 10 percent of the population, and at least 4.8 million people do not have enough land to support their livelihoods.

15. (SBU) Distant land owners often hold onto land for speculative purposes, hoping to one day develop and sell their lands. Other land owners buy large tracts of land to establish rubber, palm, or tangerine plantations (ref f). Several NGOs told us that politically connected landowners pressure small scale upland farmers to sell their land, threatening eviction under forestry laws if they refuse.

16. (SBU) While some of these farmers and their children later end up as laborers on large agricultural plantations, others migrate to urban areas in search of wage labor. Many of the highlanders migrating to cities lack Thai citizenship, but face the risks associated with leaving their home district in order to find employment (ref d and e).

17. (SBU) As a result of the pressures mentioned above, upland farmers are facing a land shortage which has hampered economic development and threatened food security (ref d). Farmers who continue to practice shifting cultivation now have smaller plots and shorter fallow periods. One agricultural expert noted that farmers now have rotations of only 3-5 years when they used to have rotations of 8-20 years. Without long fallow periods, the soil becomes less fertile; erosion increases; landslides become more frequent; and farmers may have difficulty supporting themselves.

Land Tenure Impacts Agricultural Strategies

18. (SBU) Lack of formal land title has affected agricultural strategies in northern Thailand's uplands. A staff member from

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the Upland Holistic Development Project noted that fear of arrest and resettlement has kept some highlanders from fully utilizing their lands and resources (ref c). Knowing that they could be relocated on short notice, some upland farmers are simply unwilling to invest in expensive infrastructure which could improve their productivity.

19. (SBU) On the other hand, some farmers have chosen to deliberately invest in agricultural infrastructure and to adopt farming techniques that may enhance their claims to land. In Nan province, for example, farmers on upland slopes have begun to construct rice terraces, a highly labor intensive endeavor. (A recent Bangkok Post article reports that converting just one-quarter acre of hill slope into rice terraces can take five workers an entire month.) As visible alterations of forest ecosystems, these terraces provide proof that the land is being used for subsistence purposes.

110. (SBU) On the other hand, shifting cultivation involves the planting of a diverse mix of plants, an agroforestry strategy that creates plots which do not necessarily look like traditional agricultural fields (ref c). Furthermore, fallow fields are sometimes undistinguishable from virgin forest, even though they are critical to a farmer's livelihood. Farmers often have a difficult time proving that their fallow plots are part of their total agricultural lands. (In one case, Hmong and Karen farmers in Ban Loh Ko, a village located in the middle of a national park which straddles both Tak and Kamphaeng Phet provinces, had their fallow lands designated as part of the protected forest.)

111. (U) Rice cultivation has another advantage for upland farmers; it is the agricultural technique most closely associated with Thai identity. One NGO has maintained that authorities are more inclined to grant rice farmers title to their lands. One upland village- without land titles and located within the boundaries of a national park- was granted an

exemption to live and farm there after its inhabitants began cultivating rice in terraces.

Economic Development Policies May Hurt Food Security

¶12. (SBU) NGOs have also told us that economic development policies have negatively impacted highland farmers (ref D). The RTG has sought to increase the market competitiveness of Thai produce and has thus encouraged upland farmers to specialize in exportable produce. Instead of growing a diverse mix of vegetables, many upland farmers now grow a single species, a practice known as "monocropping." Many of these cash crops are not indigenous to the uplands and are not adapted to upland conditions. While arguably more efficient than diversified agriculture, monocropping often requires intensive use of agrochemicals (e.g. fertilizer, pesticides, and herbicides) and advanced irrigation systems. The increased use of these agricultural techniques in the highlands often creates conflicts between upland farmers and their lowland counterparts over water use and pollution.

¶13. (SBU) Forestry policies have also encouraged farmers to switch from shifting cultivation to permanent plots of cash crops. In 2004, a village in Tak Province was selected as the pilot site for the "New Approach to Forest Villages" program. This project was designed to combat deforestation and restore forests through the involvement of local communities. Under this initiative, villagers were encouraged to grow cash crops, such as fruits, and asked to plant trees on their fallow lands. Unfortunately, this project has not enhanced the livelihoods of villagers. Under the shifting cultivation model, villagers had grown sufficient quantities of rice and vegetables to meet their subsistence needs. Under the new system, villagers were forced to sell fruits and purchase rice. Whenever the price of rice rises or the price of fruit drops, villagers have trouble meeting their food needs. Furthermore, they cannot return to shifting cultivation, as they could be accused of destroying protected forests if they fell any of the trees planted on their fallow lands as part of the forest restoration program.

Agribusiness Models Put Small Farmers at Risk

¶14. (SBU) The commercialization of upland agriculture has also increased the costs associated with farming. One NGO noted that some highlanders are contract farmers, working for agribusinesses based out of China or Taiwan. While they still work their own land, they purchase their inputs (e.g. seeds and agrochemicals) on credit from agribusinesses and sell their produce back to the agribusiness at the end of the growing season. However, this farming model places all the risk on the individual farmer. Should the farmer have a poor yield or

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should the produce not meet the company's standards, the farmer goes into debt. Even with a bumper crop, farmers may find that the cost of inputs is higher than their selling price, resulting in chronic debt.

¶15. (SBU) A highland agricultural expert told us that many upland farmers would prefer to maintain a subsistence lifestyle, but that they need cash in order to pay for their children to go to school. In the past, upland farmers grew enough food to feed their families and had little interaction with the cash economy. Now, however, they must have some cash income to offset the costs associated with schooling (ref d).

¶16. (U) This cable has been coordinated with Embassy Bangkok.
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